(1) Supreme Court, U.S.
FILED

00-541 OCT 6 - 2000

OFFICE OF THE CLERK

No.

IN THE

Supreme Court of the United States

THE PERKIN-ELMER CORPORATION,

Petitioner,

v.

TA INSTRUMENTS, INC.,

Respondent.

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

PETITION FOR WRIT OF CERTIORARI

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QUESTIONS PRESENTED

1. Whether a defendant who obtained a favorable jury verdict in a patent infringement suit, after which the district court granted the plaintiff's JMOL motion, is precluded from raising an issue on appeal, when the defendant had filed a written JMOL motion on the same issue before the jury retired, and the district court expressly reserved judgment on that motion.

2. Whether, if there was a failure to preserve a right to challenge a jury verdict of infringement as to one claim of a patent, that failure can form the sole basis for overturning the jury's fact finding of no infringement as to six other patent claims -- with no regard to the record supporting the jury's verdict as to those six other claims.

PARTIES TO THE PROCEEDING AND CORPORATE DISCLOSURE STATEMENT

Petitioner is the defendant-appellant The Perkin-Elmer Corporation (now PE Corporation (NY)).[1]

Respondent is TA Instruments, Inc., the plaintiff-appellee, a wholly owned subsidiary of Waters Corporation, located in Milford, Massachusetts.

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[1] The analytical instrument division of the defendant The Perkin-Elmer Corporation was acquired by EG&G Inc., which also acquired rights to the name Perkin Elmer. EG&G Inc. thereupon changed its corporate name to PerkinElmer Inc. (with no hyphen) and adopted the name PerkinElmer Instruments LLC for the corporate entity that acquired the analytical instrument division. The Perkin-Elmer Corporation, in turn, changed its name to PE Corporation (NY).

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Petitioner respectfully petitions for a writ of certiorari to review the judgment of the Court of Appeals of the Federal Circuit in this case.

OPINIONS BELOW

The Federal Circuit opinion appears as Appendix A on page 1a, while the district court opinion appears as Appendix F on page 58a. Neither opinion appears in an official reporter.

STATEMENT OF JURISDICTION

The judgment of the Court of Appeals for the Federal Circuit was entered on June 1, 2000. (P. 1a) The Court of Appeals entered an order denying a timely petition for rehearing and for rehearing en banc on July 10, 2000. (P. 43a)

The jurisdiction of this Court is invoked under 28 U.S.C. § 1254(1).

CONSTITUTIONAL AND STATUTORY PROVISIONS INVOLVED

This case involves the Fifth and Seventh Amendments to the United States Constitution and their application to patent infringement cases, under Title 35 of the U.S. Code.

The Fifth Amendment states in pertinent part that::

> No person shall be . . . deprived of life, liberty, or property, without due process of law; . . .

The Seventh Amendment states in pertinent part that:

> In Suits at common law, where the value in controversy shall exceed twenty dollars, ... no fact tried by a jury, shall be otherwise reexamined in any Court of the United States, than according to the rules of the common law.

Section 282 of the patent Act, 35 U.S.C. § 282, provides, in relevant part, that:

> The following shall be defenses in any action involving the validity or infringement of a patent and shall be pleaded:
>
> (1) Noninfringement, absence of liability for infringement or unenforceability, . . .

STATEMENT OF THE CASE

This is a patent infringement suit based on three patents owned by respondent that concern differential scanning calorimetry (DSC).

The jurisdiction of the district court was invoked under 28 U.S.C. § 1338.[2]

"Calorimetry" concerns heat, while "scanning" denotes that the heat being applied is scanned or varied in a predetermined manner, over a predetermined temperature range. The term "differential," in turn, means that two items may be heated, a standard and a test sample, and the resulting physical reactions of the two, in response to the applied heat, are measured and compared -- the differences being used to discern the characteristics of the test sample.

Respondent's patents are Reading et al patents 5,224,775, 5,346,306 and 5,439,291. Eleven claims of these patents were at issue at trial, namely, '775 patent claim 17, '306 patent claims 1, 11, 21, 26, 37 and 41 and '291 patent claims 11, 38, 73 and 88. After the jury returned a verdict that ten of the 11 claims were not infringed, and that the eleventh was infringed under the doctrine of equivalents but was invalid for obviousness, this verdict was challenged by respondent as to seven of the 11 claims.[3]

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[2] Petitioner also charged respondent with infringement of one of its patents, but that charge is not relevant to this petition.

[3] The seven claims now at issue are:

(Continued on next page)

PROCEEDINGS BELOW

This suit was filed on September 7, 1995 in the U.S. District Court for the District of Delaware, and tried before a jury in January of 1998. At the close of the plaintiff-respondent's case, petitioner filed a written motion for judgment as a matter of law ("JMOL") on the ground that infringement had not been proved, either literally or under the doctrine of equivalents. (P. 95a) A ruling on the motion was deferred. Petitioner then put in its case, and at the close of the evidence, petitioner renewed its motion. The district court again reserved judgment on the motion, and the case went to the jury. (Pp. 19a, 61a)

The jury found no literal infringement of any claim, and no infringement under the doctrine of equivalents of any of the 11 claims then at issue except one, '291 patent claim 73. That claim was found by the jury to be infringed under the doctrine of equivalents, but to be invalid for obviousness. Thus, petitioner prevailed on all claims.

(Continued from previous page)

Patent	Claims
5,224,775	17
5,346,306	1, 11, 21, 37 and 41
5,439,291	73

Following the return of the jury verdict, respondent moved for JMOL as to seven of the 11 claims that had been tried, and the district court granted that motion, rejecting the obviousness verdict. Also, the district court ruled that since the single claim 73 from the '291 patent was found to be infringed under the doctrine of equivalents, the other claims, being similar, were also infringed under this doctrine (p. 58a) -- notwithstanding the jury's fact finding to the contrary. (P. 47a)[4]

The Court of Appeals ruled that the issue of doctrine-of-equivalents infringement of the '291 patent claim 73 had not been preserved by petitioner for review on appeal -- even though petitioner's written motion for JMOL on that issue had been reserved by the district court, and consequently, was sub judice before the district court when that court ruled in favor of respondent on the same issue, in response to respondent's motion.

Secondly, the Court of Appeals ruled that because the jury verdict that '291 patent claim 73 was infringed under the doctrine of

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[4] It is not clear from the district court ruling whether the court also found literal infringement, and the Court of Appeals was also unsure about this, but ruled that it was not affirming a ruling of literal infringement. (Pp. 23a-24a, n. 6)

equivalents could not be addressed on appeal, all of the other six claims on appeal, being similar, were similarly infringed under this doctrine. (Pp. 22a-24a)

I.

REASONS FOR GRANTING THE WRIT

This Court has recently addressed the general concern about the run-away reach of the doctrine of equivalents in patent cases. See Warner-Jenkinson Co. v. Hilton Davis Chemical, 520 U.S. 17, 39 n. 8, 117 S.Ct. 1040, 1053 n. 8 (1997) ("Where the evidence is such that no reasonable jury could determine two elements to be equivalent, district courts are obliged to grant partial or complete summary judgment.")

As a compromise between rejecting the doctrine of equivalents altogether and letting it run wild, the Court ruled that:

> Each element contained in a patent claim is deemed material to defining the scope of the patented invention, and thus **the doctrine of equivalents must be applied to individual elements of the claim, not to the invention as a whole**. (Emphasis added.)

Warner-Jenkinson, 520 U.S. at 29, 117 S.Ct. at 1049.

The only testimony in this case on the issue of doctrine-of-equivalents infringement was conclusory. In substance, the testimony was that if the accused device did not infringe literally "it would be equivalent." (Pp. 101a-103a) Notwithstanding this Court's pronouncement in Warner-Jenkinson, not a word was said about equivalence to any individual element of any claim. Id.

This case, however, adds a new dimension. Not only did the district court ignore this Court's mandate that it is obliged, under the circumstances of this case, to grant partial or complete summary judgment, petitioner was precluded from raising the doctrine-of-equivalents issue as to '291 patent claim 73 on appeal -- for failure to preserve the issue -- even though petitioner's written motion asserting no doctrine-of-equivalents infringement was sub judice before the district court, post verdict, when that court ruled on this issue.

In this regard, the Court of Appeals stated that:

> In Biodex, we stated that "we cannot review the sufficiency of the evidence after a jury verdict absent some **post-verdict disposition**, either by a deferred ruling or upon a post-verdict motion." Id. [946 F.2d] at 862, 20 USPQ2d at 1261. **Although the district court deferred ruling on Perkin-Elmer's pre-verdict motion, it**

> **never made a post-verdict ruling on the motion**. Accordingly, we are precluded from reviewing the sufficiency of the evidence supporting the jury verdict that claim 73 was infringed under the doctrine of equivalents. (Emphasis added.) (P. 19a)

Thus, the Court of Appeals recognized that the district court expressly reserved ruling on petitioner's pre-verdict written motion, which concerned the same infringement issues that were before the district court after the verdict -- but it found that petitioner was disqualified from pursuing the issue on appeal because the district court did not rule on petitioner's motion.

This ruling should not be allowed to stand. First, by ruling that the claims were infringed under the doctrine of equivalents, petitioner's motion was effectively, and in reality, denied. See Cohen v. Curtis Publishing Co., 333 F.2d 974, 977 (8th Cir. 1964) (" . . . the entry of an order inconsistent with granting the relief sought is a denial of the motion."); Addington v. Farmer's Elevator Mutual Insurance Co., 650 F.2d 663, 666 (5th Cir. 1981) (same).

Secondly, a district court should not be able to defeat a party's right to due process on an issue by, deliberately or unintentionally, declining to rule on an issue that has been properly presented. Rather, the test should be whether the issue was properly presented to the lower court,

so that it could be argued and decided, and reasons for a decision presented for the appellate court's review. Any failure by a lower court to decide a properly presented issue can be addressed by an exercise of the supervisory authority of the reviewing court, not by depriving a litigant who has fairly presented the issue from its right to an appeal. See this Court's recent due process opinion in Nelson v. Adams, ___ U.S. ___, 120 S.Ct. 1579, 146 L.Ed.2d 530 (2000).

Having ruled, however, that petitioner had not preserved the doctrine-of-equivalents infringement issue as to '291 patent claim 73, the Court of Appeals made no assessment whether there was any substantial evidence to support the jury's finding as to that claim. Consequently, a conflict was presented. On one hand, the jury had found that '291 patent claim 73 was infringed under the doctrine of equivalents, but, on the other hand, that the other six claims on appeal were **not** infringed under that doctrine.

To resolve this conflict, the Court of Appeals ruled that, since petitioner had not demonstrated how the record reflects itself differently in relation to '291 claim 73 than in relation to the remaining six claims on appeal, the jury's fact finding of no doctrine-of-equivalents infringement on the other six claims must be reversed. (P. 23a) Thus, the Court concluded that:

> . . . given the jury's verdict that claim 73 is infringed, substantial evidence

> does not support the jury verdict that the other claims are not infringed. Id.

This effort to reconcile the jury's verdict misplaced the burden of proof on the infringement issue, requiring petitioner to disprove infringement. Also, it was based on faulty logic, since no assessment had been made of '291 patent claim 73 to determine whether the jury's finding of doctrine-of-equivalents infringement was supported by substantial evidence, before using it as a benchmark for the other claims.

More importantly, however, the Court of Appeals acted in clear violation of the Seventh Amendment of the Constitution. This Amendment places determinations of facts with the jury, unless jury trial is waived, and it carefully circumscribes how the jury's fact findings can be reexamined. In short, it limits an appellate court's review of jury fact findings to considerations based on an absence of supporting evidence or an error of law. Parsons v. Bedford, 3 Pet. 433 (1830) (Story, J.); Slocum v. New York Life Ins. Co., 228 U.S. 364, 378, 33 S.Ct. 523, 529 (1912); Lavender v. Kurn, 327 U.S. 645, 652-3, 66 S.Ct. 740, 744 (1946).

In the leading case in this Court on reconciling apparently conflicting portions of a jury verdict, the Court made clear that no court can redetermine facts found by a jury, saying that:

> . . . neither we nor the Court of Appeals can redetermine facts found by the jury any more than the District Court can predetermine them. For the Seventh Amendment says that "no fact tried by a jury, shall be otherwise reexamined in any Court of the United States, than according to the rules of the common law."

Atlantic & Gulf Stevedores, Inc. v. Ellerman Lines, 369 U.S. 348, 358-359, 82 S.Ct. 780, 783 (1962).

Thus, even if petitioner had failed to preserve the doctrine-of-equivalents infringement issue as to '291 patent claim 73 (which petitioner respectfully disputes), there is no room in the Seventh Amendment for the decisional detour taken by the Federal Circuit as to the other six claims.

II.

THE QUESTIONS PRESENTED ARE IMPORTANT

The Constitutional guarantees of due process and the right to a jury trial present important issues. See, e.g., Dimick v. Schiedt, 293 U.S. 474, 486, 55 S.Ct. 296, 301 (1935) (". . . of such importance and occupies so firm a place in our history and jurisprudence that any seeming curtailment of the right to a jury trial should be scrutinized with the utmost care."). Here due

process was not accorded and the jury's fact finding function was improperly invaded.

These infractions occurred in the panel decision of the Court of Appeals, and in response to petitioner's suggestion for a rehearing in banc. This practice cannot go without redress by this Court, without a serious dilution of the fundamental right to due process and a jury trial.

It is also important, indeed essential, to be able to determine and understand what is protected by a patent and what is free to others to develop and market. This is essential to the progress of technology and our national economy. A premise of patent law, as stated by the late Judge Rich, who was one of the authors of the 1952 Patent Act, is that:

> One of the benefits of a patent system is its so-called 'negative incentive' to 'design around' a competitor's products, even when they are patented, thus bringing a steady flow of innovations to the marketplace.

State Industries, Inc. v. A.O. Smith Corp., 751 F.2d 1226, 1236 (Fed. Cir. 1985).

In the present case, petitioner designed its system with the respondent's patents in hand, and it pursued a different design. This scenario occurs every day. The consequence should be that patents are rightfully respected for

what they protect, but competition can take place in areas outside the protected zone.

In the present case, however, petitioner stands enjoined, its products in issue banned from the market -- even those that may fall only under patent claims that have been found by a jury to be not infringed, literally or under the doctrine of equivalence.

Unless there is a coherent and rational process in place, and reliably applied, for dealing with the doctrine of equivalents, the only safe road will be to curtail new development, avoiding unnecessarily risky investment in both development and marketing, and slowing technological advance.

III.

CONCLUSION

In short, with a record so barren that the issue of infringement under the doctrine of equivalents should not even have gone to the jury, with a deferred written motion by petitioner concerning this issue sub judice before the district court, post verdict, at the time this equivalence issue was challenged, due process is not served by a ruling that this issue was not preserved for review on appeal. While this affects only a single claim, '291 patent claim 73, whatever ruling is made as to that claim, that ruling cannot, without forsaking the Seventh Amendment, be the basis for disregarding, and indeed reversing, a jury's

fact finding that six other claims were not infringed.

For these reasons, it is urged that the petition for a writ of certiorari be granted.

Respectfully submitted,

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Dated: October ___, 2000